

# Implementing the Affordable Care Act - DSHS Impacts

## *House Health Care and Wellness*

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# Caseloads Increase, Medicare Comes to the Table, Processes Change

- Medicaid expansion adds caseload, primarily in mental health and chemical dependency and impacts several programs
- Medicare and Medicaid integration demonstrations proceed
- Requires changes in how people apply and how eligibility is determined for medical assistance
- Requires implementation of an automated, streamlined application process with real-time eligibility/enrollment information
- Requires changes to our business processes, information systems and staffing models



# Most DSHS Caseload Impact is in Behavioral Health

- There are two sources of caseload growth:
  - 1) The “welcome mat effect” - more people who are eligible for Medicaid under current rules are expected to apply, simply because of the publicity that accompanies the push for expanded coverage and the more expedited process. This is expected whether Medicaid expands or not.
  - 2) The “newly eligible” under Medicaid expansion are expected to have significant behavioral health challenges
- For example, in FY15 in Mental Health, we expect to serve about 3,300 additional clients from the “welcome mat” and 12,200 more from the expansion group
- Changes in the Adult Behavioral Health System



# Medicaid Expansion Will Not Cover Critical Components of the Behavioral Health Continuum

- **Mental Health Services:**
  - Crisis/Involuntary Treatment Act Services and related judicial costs
  - Services for people in local Jails
  - Institute for Mental Disease (IMD) hospitals and residential services
  - Other critical safety net programs and services including Offender Re-entry and Residential Treatment Facility room and board
- **Chemical Dependency Services:**
  - IMD Chemical Dependency Residential and detoxification Programs
  - CD Residential Facility Room and Board
  - Parent Child Assistance Program
  - Other critical safety net programs and services including Childcare, Fetal Alcohol Syndrome, limited involuntary treatment



# Non-Medicaid Programs May See Impacts

- Medicaid expansion may impact other public assistance programs (e.g., Basic Food )
  - ✓ Newly eligible applicants may also apply for program assistance
- End of Transitional Bridge waiver and Medical Care Services (MCS) program eligibility linkage will impact eligibility for:
  - ✓ HEN , ADATSA and ABD cash
    - 9,150 individuals receive MCS based on incapacity and are potentially eligible for HEN support (September 2012)
    - 1,472 receive ABD cash and MCS based on age or disability (September 2012)
    - 1,520 receive MCS while participating in ADATSA treatment (September 2012)
- Elimination of the Expedited Medicaid process will likely impact the eligibility requirements for some individuals receiving cash assistance
  - ✓ 21,085 individuals receive ABD cash assistance (September 2012)
- Work underway to determine best process for clients and maximization of federal funds



# Medicare and Medicaid Will be Better Coordinated

- Improved coordination and integration of Medicare and Medicaid services is a key goal in the ACA. HealthPathWashington is our proposal on how to do that
- Washington has 65,000 age 65 or older and 50,000 younger people with disabilities who are dually eligible for Medicare and Medicaid
- Medicaid picks up the long-term care and behavioral health costs for “duals.” Medicare picks up the medical costs. This is the first time CMS has collaborated with states to bring Medicare money to the table at this scale
- We are negotiating with CMS on two three-year demonstration strategies:
  - Washington signed an MOU to improve coordination of high cost cases using federally matched health home services starting in 2013
  - Negotiations continue with CMS, King and Snohomish Counties on a capitated approach to delivery of medical, long-term care services and supports, mental health, and substance abuse services as a health plan benefit
- Demonstrations will be accountable for reaching outcome and cost targets



# New Application & Eligibility Processes

- Most medical applications will be processed by the Health Benefits Exchange (HBE). SSI-related “Classic Medicaid” applicants will be directed to apply through Washington Connection
- There will be some interoperability between Washington Connection and the HBE web portal to ensure client access to services/benefits
- People applying for medical will be offered a link to Washington Connection in the HBE web portal



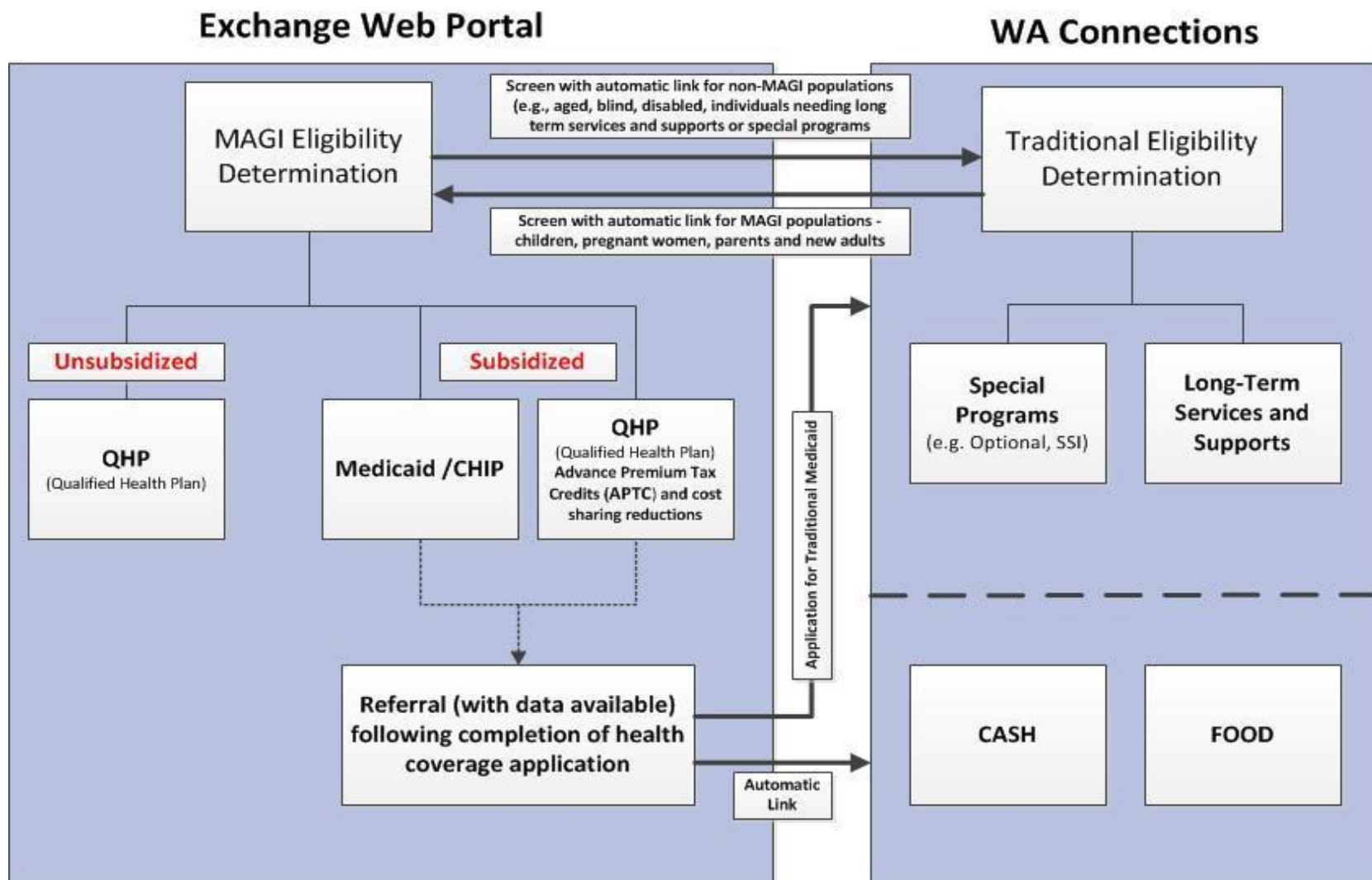
# “Classic Medicaid” – Post ACA Eligibility

- Foster children and persons who are eligible for SSI-related Medicaid based on age, blindness or disability will continue to receive “Classic Medicaid”
- ACA will not change Medicaid eligibility for these populations
- Assumption: DSHS will continue to process “Classic Medicaid” with exception for foster children medical
- Early estimates: under this assumption, about 24% of the Medicaid applications will continue to be processed by DSHS





# Coordinated Entry



# Changes to Business Processes and Staffing Models

- Cross-agency workgroup (HBE, HCA, DSHS) is:
  - ✓ “Mapping” new process flows
  - ✓ Identifying changes in agency roles and responsibilities
  - ✓ Doing analysis of impact on staffing and staffing models
- Significant impact to all major data systems
- The Washington Connections Advisory Group has been consulted
- DSHS and HCA are working with Labor Relations regarding potential impacts



# Information System Impacts

- ACA implementation will require major changes to ACES and related systems – necessary for HBE interoperability
- Policy changes and initiatives that require IT changes prior to January 1, 2014, may jeopardize the state's ability to successfully implement the ACA



# Questions?

**For more information, please contact:**

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